

REQUEST FOR PROPOSAL
Notice to Prospective Proposers

October 10, 2002

You are invited to review and respond to this Request for Proposal (RFP), entitled RFP MRB 2002-001, Processing Fee Cost Survey. In submitting your proposal, you must comply with the instructions found herein.

Note that all agreements entered into with the State of California will include by reference General Terms and Conditions and Contractor Certification Clauses that may be viewed and downloaded at Internet site

<http://www.ols.dgs.ca.gov/Standard+Language/default.htm>

If you do not have Internet access, a hard copy can be provided by contacting the person listed below.

In the opinion of the Department of Conservation, this RFP is complete and without need of explanation. However, if you have questions, or should you need any clarifying information, the contact person for this RFP is:

Cyndy Young
Department of Conservation
Division of Recycling
Market Research Branch
(916) 324-9863

Please note that any additional information provided regarding this procurement will not be binding upon the State unless such information is issued in writing as an official addendum to this RFP.

Chuck Seidler
Branch Manager

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A) Purpose and Description of Services

The purpose of this Request for Proposal (RFP) is to solicit proposals that would provide the California Department of Conservation (Department), Division of Recycling (Division) with a contractor who would perform an economic study to determine the statewide weighted (by volume redeemed) average actual costs to recycle for certified recycling centers, excluding those centers that receive a handling fee, by material type, including aluminum, glass, bi-metal, and plastics (PET #1, HDPE #2, PVC #3, LDPE #4, PP #5, PS #6, and Other #7). This economic study is generally referred to as the cost survey and it is to be conducted in fiscal year 2002/2003, continuing into fiscal year 2003/2004, as required by the California Beverage Container Recycling and Litter Reduction Act (Act), Public Resources Code, Division 12.1, Section 14575. Proposals will be scored based on specified criteria and awarded to the highest qualifying score with costs being a qualifying factor. The budget is not to exceed \$1,800,000.

Cost surveys have been conducted in the past to measure costs to recycle aluminum, glass, PET #1 plastic, and bi-metal containers. With the passage of Senate Bill 332, new material types are in the program including plastic resins HDPE #2, PVC #3, LDPE #4, PP #5, PS #6, and Other #7. These resins reflect new material types that have not been measured in previous cost surveys conducted for the purpose of determining processing payments and fees, therefore no current example methods to determine costs are available. The methods developed to measure these costs will need to be created, and will need to be responsive to the fact that these materials may be redeemed in very low volume, or redeemed by the consumer requiring labor, but ultimately not reported to the Department.

Review Model Contract, Exhibit A, Scope of Work, for a more complete description of the services required.

B) Background

The mission of the Department is to protect public health and safety, ensure environmental quality, and support the State's long-term economic viability in the use of California's land and mineral resources. One of the Department's key directives is to promote beverage container recycling and litter reduction as well as encourage the development of products made from recycled beverage containers.

Within the Department, the Division administers the California Beverage Container Recycling Program (Program). The Program, enacted through legislation in 1986, is aimed at making beverage container recycling integral to the California economy. The primary goal of the Program is to achieve and maintain high recycling rates for each beverage container material type included in the Program, thereby reducing the beverage container component of litter in the State. In addition, the Program is charged with several other broad mandates or goals. It must:

- Ensure that every material type proves its own recyclability

- Make redemption and recycling convenient to consumers

- Create and maintain a profitable beverage container recycling market

The Program involves a variety of participants, including recycling centers, processors, beverage manufacturers and distributors and retail dealers. Units within the Division are responsible for participant certification and registration, regulatory compliance, grant funding distribution, as well as technical and educational assistance to industries and groups involved in beverage container recycling.

Section 14575 of the Act provides for a processing payment and fee on individual material types. If costs to recycle a particular material type exceed its scrap value, the Department is required to set a processing payment and fee on that particular material type. Because the law requires certified recycling centers to accept all material types, including aluminum, glass, bi-metal, and plastics (PET #1, HDPE #2, PVC #3, LDPE #4, PP #5, PS #6, and Other #7), the Legislature designed the processing payment to enable certified recyclers to recover allowable operating costs and earn a reasonable financial return. The processing payment is calculated as follows:

$$\begin{array}{rcl} & \text{Actual Costs of Recycling} & \\ + & \text{Reasonable Financial Return} & \\ - & \underline{\text{Scrap Value}} & \\ = & \text{Processing Payment (if > 0)} & \end{array}$$

The actual cost for certified recycling centers is determined as the statewide weighted (by volume redeemed) average cost to recycle for each beverage container material type. The Department is required to perform processing fee cost surveys of a statistically significant sample of certified recycling centers, excluding recycling centers receiving a subsidy called a handling fee. When conducting cost surveys, the main objective is to estimate a site's actual cost of recycling by material type based on operating, financial, and labor data. An automated processing fee cost survey model has been developed to assist in estimating each site's costs of recycling by material type. Based on current statute, cost surveys will be conducted every three years.

Costs and tonnage of all sites surveyed are aggregated by CRV material type into a statewide weighted (by volume redeemed) average cost of recycling for each material type. This weighted (by volume redeemed) average cost is used in the determination of processing payments and fees.

The next determination of the costs of recycling by certified recyclers will need to be performed in calendar year 2003 to measure calendar year 2002 costs to recycle empty beverage container material types. The results of this determination will be used to calculate the processing payments and fees effective January 1, 2004.

C) Minimum Qualifications for Proposers

Successful bidders will be expected to demonstrate knowledge of accounting principles and statistics and have some knowledge of the California Beverage Container Recycling and Litter Reduction Act (Act), which may be viewed at www.consrv.ca.gov.

D) Proposal Requirements and Information

- 1) Table of Contents
- 2) Required Attachments
 - Attachment 1. Required Attachment Check List
 - Attachment 2. Proposal/Proposer Certification Sheet
 - Attachment 3. Cost Proposal Worksheet
 - Attachment 4. Proposer References
 - Attachment 5. Disabled Veteran Business Enterprise (DVBE) Participation Forms

- Std. 840 Disabled Veteran Business Enterprise Participation Summary (page 1).
 - Good Faith Effort Documentation – Exhibit A (3 pages)
- Attachment 6. Payee Data Record (STD 204) (if currently not on file)
- Attachment 7. Contractor Certification Clauses (CCC-201)
- Attachment 8. Target Area Contract Preference Act (TACPA) (if applicable)
- Attachment 9. Enterprise Zone Act (EZA) (if applicable)
- Attachment 10. Local Agency Military Base Recovery Area (LAMBRA) Act (if applicable)
- 3) Work Plan – Describe the overall technical approach and detailed work plan to complete all tasks in Model Contract, Exhibit A, Scope of Work
 - 4) Project Schedule – Provide a project schedule that defines milestones and due dates for each progress report, task completion, and deliverable within the total time allowed as required in the Model Contract, Exhibit A, Scope of Work.
 - 5) Project Organization - Describe the technical capabilities of your organization. Describe how your organization and subcontractors, if any, will be organized, including the reporting hierarchy of all staff and contractors to complete all tasks in Model Contract, Exhibit A, Scope of Work.
 - 6) List all personnel that will actually be performing the activities described in the Model Contract, Exhibit A, Scope of Work. Include assigned personnel hours by tasks in the Model Contract, Exhibit A, Scope of Work.
 - 7) Describe the general organizational experience and background of the assigned personnel on similar projects.
 - 8) Provide a listing of previous projects related to statewide or large-scale statistical, economic studies, or other technical work, and at least one example of a technical report, which demonstrates the respondent's technical expertise in statistical and economic analysis as required to complete the tasks in the Model Contract, Exhibit A, Scope of Work.
 - 9) Describe your planned subcontracting, together with a list of items or efforts to be subcontracted.
 - 10) Using Attachment 4, Proposer References, list at least two references and dates for work similar to this proposed project as outlined in the Model Contract, Exhibit A, Scope of Work

1) Time Schedule

It is recognized that time is of the essence. All proposers are hereby advised of the following schedule and will be expected to adhere to the required dates and times.

<u>Event</u>	<u>Date</u>	<u>Time</u>
RFP available to prospective proposers	October 10, 2002	12:00 Noon
Pre-proposal Conference	October 22, 2002	10:00 a.m.
Written Question Submittal Deadline	October 22, 2002	5:00 p.m.
Answers to Written Questions	November 1, 2002	4:00 p.m.
Final Date for Proposal Submission	November 11, 2002	4:00 p.m.
Review of Proposals	November 12, 2002 to November 29 , 2002	

Notice of Intent to Award	December 6 , 2002	9:00 a.m.
Last Day to Protest the Award	December 16, 2002	5:00 p.m.
Agreement Award	December 20 , 2003	9:00 a.m.
Anticipated Effective Date of Contract	February 1, 2003	

2) Pre-Proposal Conference

An optional pre-proposal conference is scheduled at 10:00 a.m. on Tuesday, October 22, 2002 at 1027 10th Street, 6th Floor, Sacramento, CA 95814 for the purpose of discussing concerns regarding this RFP. Copies of the Microsoft Excel based cost survey model, and the training and field survey manuals used in previous cost surveys will be available for attendees of the pre-proposal conference, as well as via e-mail by contacting Cyndy Young at cyoung@consrv.ca.gov or (916)324-9863.

3) Reasonable Accommodations

For contractors who need assistance due to a physical impairment, a reasonable accommodation will be provided by the Department upon request for the pre-proposal conference. The Contractor must call Cyndy Young at (916) 324-9863 no later than the fifth working day prior to the scheduled date and time of the pre-proposal conference to arrange for a reasonable accommodation.

4) Work Plan Requirements

- a) The proposals shall include a detailed work plan identifying each major task in the Model Contract, Exhibit A, Scope of Work, necessary subtasks, and specific milestones by which progress can be measured and payments made. Also include a schedule for task completion.
- b) Resources
Explain the use of employees and subcontractors as well as what types of computer equipment and software will be used to perform the services.

5) Cost Detail Format and Requirements

The total costs to complete all tasks and accomplish all milestones cannot exceed \$1,800,000. The proposal will be scored and the contract will be awarded to the proposal with the highest qualifying score. The contract will not necessarily be awarded to the lowest bidder. Costs however will constitute 50% of the total proposal score. Use the Sample Cost Proposal Worksheet (Attachment 3) as a guide in preparing your cost proposal. Those proposers who qualify for Small Business Enterprise (SBE), Target Area Contract Preference Act (TACPA), Local Agency Military Base Recovery Area (LAMBRA) Act, Enterprise Zone Act (EZA), and Disabled Veteran Business Enterprises (DVBE) preferences will be given those preferences. Please see section E, page 14 to get more information about these programs or call the Department of General Services at (916) 375-4607.

6) Submission of Proposal

- a) Proposals should provide straightforward and concise descriptions of the proposer's ability to satisfy the requirements of this RFP. The proposal must be complete and accurate. Omissions, inaccuracies or misstatements will be sufficient cause for rejection of a proposal.
- b) Due to limited storage space, the proposal package should be prepared in the least expensive method (i.e., cover page with staple in upper left-hand corner, no fancy bindings).
- c) All proposals must be submitted under **sealed** cover and sent to the Department of Conservation by dates and times shown in Section D, Proposal Requirements and Information, Item 1) Time Schedule, (page 5). Proposals received after this date and time will not be considered.
- d) A minimum of five (5) copies of the proposal must be submitted.
- e) The original proposal must be marked "ORIGINAL COPY". All documents contained in the original proposal package must have original signatures and must be signed by a person who is authorized to bind the proposing firm. All additional proposal sets may contain photocopies of the original package.
- f) The proposal envelopes must be plainly marked with your firm name and address, the RFP number and title, and must be marked with "DO NOT OPEN", as shown in the following example:

Your Firm Name
Your Firm Address
RFP #MRB 2002-001
Processing Fee Cost Survey

DO NOT OPEN

If the proposal is made under a fictitious name or business title, the actual legal name of proposer must be provided.

Proposals not submitted under sealed cover and marked as indicated may be rejected.

- g) All proposals shall include the documents identified in Section F, Required Attachments (see page 14). Proposals not including the proper "required attachments" shall be deemed non-responsive. A non-responsive proposal is one that does not meet the basic proposal requirements.
- h) Mail or deliver proposals to the following address:

U.S. Postal Service Deliveries and Hand Deliveries (UPS, Express Mail, Federal Express)

Department of Conservation
Division of Recycling
1027 10th Street, 5th Floor
Sacramento, CA 94814

- i) Proposals must be submitted for the performance of all the services described herein. Any deviation from the work specifications described in Model Contract, Exhibit A, Scope of Work will not be considered and will cause a proposal to be rejected.
- j) A proposal may be rejected if it is conditional or incomplete, or if it contains any alterations of form or other irregularities of any kind. The State may reject any or all proposals and may waive any immaterial deviation in a proposal. The State's waiver of immaterial defect shall in no way modify the RFP document or excuse the proposer from full compliance with all requirements if awarded the agreement.
- k) Costs for developing proposals and in anticipation of award of the agreement are entirely the responsibility of the proposer and shall not be charged to the State of California.
- l) An individual who is authorized to bind the proposing firm contractually shall sign the Attachment 2, Proposal/Proposer Certification Sheet. The signature must indicate the title or position that the individual holds in the firm. An unsigned proposal may be rejected.
- m) A proposer may modify a proposal after its submission by withdrawing its original proposal and resubmitting a new proposal prior to the proposal submission deadline. Proposal modifications offered in any other manner, oral or written, will not be considered.
- n) A proposer may withdraw its proposal by submitting a written withdrawal request to the State, signed by the proposer or an agent authorized in accordance with l) above. A proposer may thereafter submit a new proposal prior to the proposal submission deadline. Proposals may not be withdrawn without cause subsequent to proposal submission deadline.
- o) The Department may modify the RFP by the issuance of an addendum to all parties who received a proposal package.
- p) The Department reserves the right to reject all proposals for reasonable cause. If all cost proposals are too high, the agency is not required to award an agreement.
- q) Proposers are cautioned to not rely on the State during the evaluation to discover and report to the proposer any defects and errors in the submitted documents. Proposers, before submitting their documents, should carefully proof them for errors and adherence to the RFP requirements.

- r) Where applicable, proposer should carefully examine work sites and specifications. Proposer shall investigate conditions, character, and quality of surface or subsurface materials or obstacles that might be encountered. No additions or increases to the agreement amount will be made due to a lack of careful examination of work sites and specifications.
- s) More than one proposal from an individual, firm, partnership, corporation or association under the same or different names, will not be considered. Reasonable grounds for believing that any proposer has submitted more than one proposal for the work contemplated herein will cause the rejection of all proposals submitted by that proposer. If there is reason for believing that collusion exists among the proposers, none of the participants in such collusion will be considered in this or future procurements.

7) Evaluation Process

- a) At the time of proposal opening, each proposal will be checked for the presence or absence of required information in conformance with the submission requirements of this RFP.
- b) The State will put each proposal through a process of evaluation to determine its responsiveness to the State's needs.
- c) Proposals that contain false or misleading statements, or which provide references which do not support an attribute or condition claimed by the proposer, may be rejected. If, in the opinion of the State, such information was intended to mislead the State in its evaluation of the proposal, and the attribute, condition, or capability is a requirement of this RFP, it will be the basis for rejection of the proposal.
- d) The proposals that meet the minimum qualifications will be evaluated and scored according to the Rating/Scoring Criteria. The final selection will be made on the basis of the highest qualifying score.

Technical Evaluation

The Rating/Scoring Criteria provided on the Score Sheet at the end of this section are used in the evaluation of the technical proposal. Those proposals that meet the RFP format requirements and are deemed responsive are evaluated and scored from zero to ten. Point values shall be assigned to each Ranking/Scoring Criteria according to the scoring outline provided below.

Scoring

Each of the Rating/Scoring Criteria is given a weight factor that indicates the level of importance to the project. Points are applied to each of the Rating/Scoring Criteria and are multiplied by the weight factor to arrive at the technical score. The point system is as follows:

Fail (0 points)

Zero points are given when the category being evaluated is non-responsive.

A proposal is considered non-responsive if it is not in substantial accord with the RFP requirements.

Below Average (1-4 points)

One to four points are awarded to responses considered to be minimally acceptable. For example:

The proposal acknowledges a requirement, but offers no explanation of how or what will be accomplished.

The response contains a technical deficiency which is an inaccurate statement or reference concerning the how, what, where or when, which is a part of an overall statement or description.

Average (5 points)

Five points are awarded if the proposal satisfies the requirements and describes specifically how and/or what will be accomplished.

Above Average (6-9 points)

Six to nine points are awarded if the proposal satisfies the requirement and describes specifically how and/or what will be accomplished in an exemplary manner, including sample products and illustrative materials (i.e., diagrams, charts, graphs, etc.)

Exceptional (10 points)

Ten points are awarded if the proposal satisfies the requirements and describes specifically how and/or what will be accomplished in a superior manner, both quantitatively and qualitatively.

Cost Proposal Evaluation

Each proposal's Cost Proposal, as provided on Attachment 3 Cost Proposal Worksheet, is reviewed and scored and then the technical score is added to the cost score with the total equaling the total proposal score. The cost score will be determined as follows:

$$\frac{\text{Average of Lowest 2 Bids}}{\text{Bid in Question}} \times \text{Cost Proposal Points (100)} = \text{Cost Score}$$

An example of the cost scoring method based on bidder A in the table below is as follows:

Step 1. – Determine average of lowest two bids

$$\frac{(A) \$30,000 + (B) \$32,000}{2} = \$31,000$$

Step 2. – Divide average of lowest two bids by the bid in question

$$\$31,000 / \$30,000 = 1.033$$

Step 3. – Multiply the result of dividing average of lowest two bids by the bid in question by 100

$$= 1.033 \times 100 = 103.33$$

Example of Evaluation Process Total Proposal Scores Based on Three Bidders:

Bidder	Bid Amount	Calculation	Cost Proposal Points (100 points)	Technical Proposal Total Available (100 points)	Total Proposal Score
A	\$30,000	$\frac{\$31,000}{\$30,000} = 1.0333 \times 100$	= 103.33	+ 71 =	174.33
B	\$32,000	$\frac{\$31,000}{\$32,000} = .9688 \times 100$	= 96.87	+ 78 =	174.88
C	\$34,000	$\frac{\$31,000}{\$34,000} = .9118 \times 100$	= 91.18	+ 85 =	176.18

Certified small businesses will be awarded, in addition to their earned score, a preference consisting of five percent of the price component of the highest scored proposal of a non-certified small business. For more information please visit the Small Business Services website at <http://www.pd.dgs.ca.gov/smbus/default.htm> DVBE preferences will also apply. For more information please visit the following website <http://www.pd.dgs.ca.gov/dvbe/default.htm>

COST SURVEY RFP SCORE SHEET

<u>Rating/Scoring Criteria of Technical Proposal</u>	<u>Weighted Factor</u>	<u>Maximum Possible Points</u>	<u>Points Awarded</u>
Quality and creativity of approach, methods and resources in collecting and verifying data identified in Model Contract, Exhibit A, Scope of Work	2.5	25pts.	_____
Thoroughness of quality control/ peer review methods	1.5	15pts.	_____
Demonstration of previous work with DOC, other state and local agencies, industries and special interest groups in conducting statewide or large-scale statistical, economic studies	1.5	15pts.	_____
Reasonableness of project schedule	1.5	15pts.	_____
Knowledge of the Beverage Container Recycling Program and general experience with beverage container recycling in California	1.0	10pts.	_____
Qualifications and experience of project team committed to this project.	1.0	10pts.	_____
Demonstration of adequate controls to ensure confidentiality of participants business data	1.0	10pts.	_____
Total Possible Technical Proposal Points		100pts.	_____

Bid Amount	Cost Proposal Calculation	Cost Proposal Points (100 points)	Technical Proposal Total Available (100 points)	Total Proposal Score
\$	\$ _____ = X 100 \$	_____	_____	_____

Small Business Preference _____

Final Total Score _____

8) Award and Protest

- a) Notice of the proposed award shall be posted in a public place in the office of The Department of Conservation, Division of Recycling, Market Research Branch, 1027 10th Street, 5th Floor, Sacramento, CA 95814; Division of Recycling, Headquarters, 801 K Street, 18th Floor, Sacramento, CA 95814 - and on the following Internet site: www.consrv.ca.gov for five (5) working days prior to awarding the agreement.
- b) If any proposer, prior to the award of the agreement, files a protest with the Department of Conservation and the Department of General Services, Office of Legal Services, 707 Third Street, 7th Floor, Suite 7-330, West Sacramento, CA 95605, Fax (916) 376-5088 on the grounds that the (protesting) proposer would have been awarded the contract had the agency correctly applied the evaluation standard in the RFP, or if the agency followed the evaluation and scoring methods in the RFP, the agreement shall not be awarded until either the protest has been withdrawn or the Department of General Services has decided the matter. Protests may be filed by certified or registered mail, regular mail, fax, courier or personal delivery.
- c) Within five (5) days after filing the initial protest, the protesting proposer shall file with the Department of General Services, Office of Legal Services and the Department of Conservation a full and complete written statement specifying the grounds for the protest. You may submit this complete written statement by certified or registered mail, regular mail, fax, courier or personal delivery. Please include your fax number, if applicable, in your statement.
- d) Upon award of the agreement, Contractor must complete and submit to the Department the Payee Data Record (STD 204), to determine if the Contractor is subject to state income tax withholding pursuant to California Revenue and Taxation Code Sections 18662 and 26131. This form can be found on the Internet at www.osp.dgs.ca.gov under the heading STANDARD FORMS. No payment shall be made unless a completed STD 204 has been returned to the Department.
- e) Upon award of the agreement, Contractor must sign and submit to the Department, page one (1) of the Contractor Certification Clauses (CCC-201), which can be found on the Internet at <http://www.ols.dgs.ca.gov/Standard+Language/default.htm> . This document is only required if the proposer has not submitted this form to the Department within the last three (3) years.

9) Disposition of Proposals

- a) Upon proposal opening, all documents submitted in response to this RFP will become the property of the State of California, and will be regarded as public records under the California Public Records Act (Government Code Section 6250 et seq.) and subject to review by the public. The State cannot prevent the disclosure of public documents. However, the contents of all proposals, draft proposals, correspondence, agenda, memoranda, working papers, or any other medium that discloses any aspect of a proposer's proposal, shall be held in the strictest confidence until the "Letter of Intent" is posted.

- b) Proposal packages may be returned only at the proposer's expense, unless such expense is waived by the Department.

10) Standard Conditions of Service

- a) Contractor's services shall be available not later than February 1, 2003 or another date set by the Department and the Contractor, after all approvals have been obtained and the agreement is fully executed. Should the Contractor fail to commence work at the agreed upon time, the Department, upon five (5) days written notice to the Contractor, reserves the right to terminate the agreement. In addition, the Contractor shall be liable to the State for the difference between Contractor's Proposal price and the actual cost of performing work by the second lowest proposer or by another contractor.
- b) All performance under the agreement shall be completed on or before the termination date of the agreement.
- c) The State does not accept alternate contract language from a prospective contractor. A proposal with such language will be considered a counter proposal and will be rejected. The State's General Terms and Conditions (GTC) are not negotiable. The GTC may be viewed at Internet site
<http://www.ols.dgs.ca.gov/Standard+Language/default.htm>
- d) No oral understanding or agreement shall be binding on either party.

E) Preference Programs

The standard contract language for the preference programs can be found at the Internet web sites listed below:

- 1) Small Business Enterprise (SBE) - <http://www.pd.dgs.ca.gov/smbus/default.htm>
- 2) Target Area Contract Preference Act (TACPA) -
<http://www.pd.dgs.ca.gov/edip/tacpa.htm>
- 3) Local Agency Military Base Recovery Area (LAMBRA) Act -
<http://www.pd.dgs.ca.gov/edip/lambra.htm>
- 4) Enterprise Zone Act (EZA) - <http://www.pd.dgs.ca.gov/edip/eza.htm>
- 5) Disabled Veteran Business Enterprises (DVBE) -
<http://www.pd.dgs.ca.gov/dvbe/default.htm>

F) Required Attachments

The required attachments are as follows:

- 1) Required Attachment Checklist
- 2) Proposal/Proposer Certification Sheet
- 3) Cost Proposal Worksheet
- 4) Proposer References
- 5) Disabled Veteran Business Enterprise (DVBE) Participation Forms
- 6) Payee Data Record (STD 204) (if currently not on file)
- 7) Contractor's Certification Clauses (CCC-201) (page 1)

- 8) Target Area Contract Preference Act (TACPA) (if applicable)
- 9) Enterprise Zone Act (EZA) (if applicable)
- 10) Local Agency Military Base Recovery Area (LAMBRA) Act (if applicable)

Required attachments 1 through 4 are provided as attachments to this RFP. Required attachments 5 through 10 can be downloaded from the Internet as follows:

Attachment 5 - The standard contract language for the Disabled Veteran Enterprise Program (DVBE) and the DVBE Resource Packet can be found at the following Internet web site <http://www.pd.dgs.ca.gov/dvbe/default.htm>. Std. 840 Disabled Veteran Business Enterprise Participation Summary can be found at <http://www.documents.dgs.ca.gov/pd/dvbe/std840.pdf> and Good Faith Effort Documentation – Exhibit A at <http://www.documents.dgs.ca.gov/pd/dvbe/goodfaith.pdf>

Attachment 6 - Payee Data Record (STD 204) (if currently not on file),
<http://www.documents.dgs.ca.gov/osp/pdf/std204.pdf>

Attachment 7 - Contractor Certification Clauses (CCC) 201 The CCC can be found on the Internet at <http://www.ols.dgs.ca.gov/Standard+Language/default.htm>. Page one (1) must be signed and submitted prior to the award of the agreement, but is not required if the proposer has submitted this form to the Department within the last three (3) years.

Attachment 8 - Target Area Contract Preference Act (TACPA),
<http://www.documents.dgs.ca.gov/osp/pdf/std830.pdf>

Attachment 9 - Enterprise Zone Act (EZA),
<http://www.documents.dgs.ca.gov/osp/pdf/std831.pdf>

Attachment 10 - Local Agency Military Base Recovery Area (LAMBRA) Act,
<http://www.documents.dgs.ca.gov/osp/pdf/std832.pdf>

If you do not have Internet access, hard copies of the documents listed above can be provided by contacting:

Cyndy Young
Department of Conservation
Division of Recycling
Market Research Branch
(916) 324-9863

G) Model Contract

A model of the contract that will be awarded, if any, from this RFP is represented by Attachment 11 Model Contract.

ATTACHMENT 1

REQUIRED ATTACHMENT CHECK LIST

A complete proposal or proposal package will consist of the items identified below. Complete this checklist to confirm the items in your proposal. Place a check mark or "X" next to each item that you are submitting to the State. For your proposal to be responsive, all required attachments must be returned. This checklist should be returned with your proposal package also.

<u>Attachment</u>	<u>Attachment Name/Description</u>
_____ Attachment 1	Required Attachment Check List
_____ Attachment 2	Proposal/Proposer Certification Sheet
_____ Attachment 3	Cost Proposal Worksheet
_____ Attachment 4	Proposer References
_____ Attachment 5	Disabled Veteran Business Enterprise (DVBE) Participation Forms Std. 840 Disabled Veteran Business Enterprise Participation Summary (page 1). Good Faith Effort Documentation – Exhibit A (3 pages)
_____ Attachment 6	Payee Data Record (STD 204) (if currently not on file)
_____ Attachment 7	Contractor Certification Clauses (CCC-201) The CCC can be found on the Internet at http://www.ols.dgs.ca.gov/Standard+Language/default.htm Page one (1) must be signed and submitted prior to the award of the agreement, but is not required if the proposer has submitted this form to the Department within the last three (3) years.
_____ Attachment 8	Target Area Contract Preference Act (TACPA) (If applicable)
_____ Attachment 9	Enterprise Zone Act (EZA) (If applicable)
_____ Attachment 10	Local Agency Military Base Recovery Area (LAMBRA) Act (If applicable)

ATTACHMENT 2

PROPOSAL/PROPOSER CERTIFICATION SHEET

This Proposal/Proposer Certification Sheet must be signed and returned, along with all the "required attachments", as an entire package in duplicate with original signatures. The proposal must be transmitted in a sealed envelope in accordance with RFP instructions.

- A. _____ Our all-inclusive cost proposal is submitted in a sealed envelope.
- B. _____ All required attachments have been placed behind this certification sheet.
- C. _____ I have read and understand the DVBE Participation requirements and have included documentation demonstrating that I have met the participation goals or have made a good faith effort.
- D. _____ The signature affixed hereon and dated certifies compliance with all the requirements of this proposal document. The signature below authorizes the verification of this certification.

An Unsigned Proposal/Proposer Certification Sheet May Be Cause For Rejection

1. Company Name	2. Telephone Number ()	2a. Fax Number ()
3. Address		
Indicate your organization type:		
4. <input type="checkbox"/> Sole Proprietorship	5. <input type="checkbox"/> Partnership	6. <input type="checkbox"/> Corporation
Indicate the applicable employee and/or corporation number:		
7. Federal Employee ID No. (FEIN)	8. California Corporation No.	
Indicate applicable license and/or certification information:		
9. Contractor's State Licensing Board Number	10. PUC License Number CAL-T-	11. Required Licenses/Certifications
12. Proposer's Name (Print)	13. Title	
14. Signature	15. Date	
16. Are you certified with the Department of General Services, Office of Small Business Certification and Resources (OSBCR) as:		
a. Small Business Enterprise Yes <input type="checkbox"/> No <input type="checkbox"/> If yes, enter certification number: _____		
b. Disabled Veteran Business Enterprise Yes <input type="checkbox"/> No <input type="checkbox"/> If yes, enter your service code below: _____		
NOTE: A copy of your Certification is required to be included if either of the above items is checked "Yes". Date application was submitted to OSBCR, if an application is pending:		

Completion Instructions for Proposal/Proposer Certification Sheet

Complete the numbered items on the
Proposal/Proposer Certification Sheet by following the instructions below.

Item Numbers	Instructions
1, 2, 2a, 3	Must be completed. These items are self-explanatory.
4	Check if your firm is a sole proprietorship. A sole proprietorship is a form of business in which one person owns all the assets of the business in contrast to a partnership and corporation. The sole proprietor is solely liable for all the debts of the business.
5	Check if your firm is a partnership. A partnership is a voluntary agreement between two or more competent persons to place their money, effects, labor, and skill, or some or all of them in lawful commerce or business, with the understanding that there shall be a proportional sharing of the profits and losses between them. An association of two or more persons to carry on, as co-owners, a business for profit.
6	Check if your firm is a corporation. A corporation is an artificial person or legal entity created by or under the authority of the laws of a state or nation, composed, in some rare instances, of a single person and his successors, being the incumbents of a particular office, but ordinarily consisting of an association of numerous individuals.
7	Enter your federal employee tax identification number.
8	Enter your corporation number assigned by the California Secretary of State's Office. This information is used for checking if a corporation is in good standing and qualified to conduct business in California.
9	Complete if your firm holds a California contractor's license. This information will be used to verify possession of a contractor's license for public works agreements.
10	Complete if your firm holds a PUC license. This information will be used to verify possession of a PUC license for public works agreements.
11	Complete, if applicable, by indicating the type of license and/or certification that your firm possesses and that is required for the type of services being procured.
12, 13, 14, 15	Must be completed. These items are self-explanatory.
16	If certified as a Small Business Enterprise, place a check in the "yes" box, and enter your certification number on the line. If certified as a Disabled Veterans Business Enterprise, place a check in the "Yes" box and enter your service code on the line. If you are not certified to one or both, place a check in the "No" box. If your certification is pending, enter the date your application was submitted to OSBCR.

ATTACHMENT 3
(May be used as a reference only)

COST PROPOSAL WORKSHEET

DIRECT LABOR	HOURS	RATE	TOTAL
Program Manager	_____@	_____	_____
Staff Assistant	_____@	_____	_____
Technician	_____@	_____	_____
Clerical	_____@	_____	_____
			\$ _____
SUBCONTRACTOR(S) COST ITEMIZED			\$ _____
DIRECT COSTS (EXCEPT LABOR)			
Travel Costs (Transportation, Car Rental, Air Fare, Per Diem etc.)			_____
Telephone			_____
Office Supplies (Itemized)			_____
Other Direct Costs (Itemized)			_____
Rental Equipment (i.e. Laptop Computers)			_____
			\$ _____
INDIRECT COSTS			
Fringe Benefits			_____
Overhead			_____
			\$ _____
TOTAL COSTS			\$ _____

ATTACHMENT 4

PROPOSER REFERENCES

Submission of this attachment is mandatory. Failure to complete and return this attachment with your proposal will cause your proposal to be rejected and deemed nonresponsive. If you are determined to be the low proposer, you may be called upon to provide this information.

1. On a separate sheet of paper briefly explain why you believe your firm is qualified to perform the work described in this RFP. Attach additional sheets if necessary.
2. List below at least two references of similar types of services performed within the last five years. If three references cannot be provided, please explain why on an attached sheet of paper.

REFERENCE 1

Name of Firm			
Street Address	City	State	Zip Code
Contact Person		Telephone Number	
Dates of Service		Value or Cost of Service	
Brief Description of Service Provided			

REFERENCE 2

Name of Firm			
Street Address	City	State	Zip Code
Contact Person		Telephone Number	
Dates of Service		Value or Cost of Service	
Brief Description of Service Provided			

REFERENCE 3

Name of Firm			
Street Address	City	State	Zip Code
Contact Person		Telephone Number	
Dates of Service		Value or Cost of Service	
Brief Description of Service Provided			

Model Contract

The following pages represent a model of the contract that will be awarded, if any, from this RFP. Please review it carefully and present any questions in writing to the contact identified for this RFP. DO NOT RETURN THIS MODEL CONTRACT WITH THE PROPOSAL.

STATE OF CALIFORNIA
STANDARD AGREEMENT
STD 213 (Rev 09/01)

AGREEMENT NUMBER

1. This Agreement is entered into between the State Agency and the Contractor named below:

STATE AGENCY'S NAME

CONTRACTOR'S NAME

2. The term of this Agreement is: through

3. The maximum amount of this Agreement is: \$

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.

Exhibit A – Scope of Work XX pages

Exhibit B – Budget Detail and Payment Provisions XX pages

Exhibit C* – General Terms and Conditions

Check mark one item below as Exhibit D:

☐ Exhibit - D Special Terms and Conditions (Attached hereto as part of this agreement)

XX pages

☐ Exhibit - D* Special Terms and Conditions

Items shown with an Asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CONTRACTOR

CONTRACTOR'S NAME (if other than an individual, state whether a corporation, partnership, etc.)

BY (Authorized Signature)

DATE SIGNED (Do not type)



PRINTED NAME AND TITLE OF PERSON SIGNING

ADDRESS

STATE OF CALIFORNIA

AGENCY NAME

BY (Authorized Signature)

DATE SIGNED (Do not type)



PRINTED NAME AND TITLE OF PERSON SIGNING

ADDRESS

**California Department of General
Services Use Only**

☐ Exempt per:

EXHIBIT A
(Standard Agreement)

SCOPE OF WORK

- 1) Contractor agrees to provide to the Department of Conservation (DOC) technical services in conducting an economic study to determine the statewide weighted (by volume redeemed) average actual costs to recycle for certified recycling centers as described herein.
- 2) The services shall be performed throughout the State of California.
- 3) The services shall be provided during February 1, 2003 through March 30, 2004.
- 4) The project representatives during the term of this agreement will be:

State Agency: Department of Conservation	Contractor:
Name: Cyndy Young	Name:
Phone: (916) 324-9863	Phone:
Fax: (916) 445-0645	Fax:

Direct all inquiries to:

State Agency Department of Conservation	Contractor:
Section/Unit: Market Research Branch	Section/Unit:
Attention: Cyndy Young	Attention:
Address: 801 K Street	Address:
Phone: (916) 324-9863	Phone:
Fax: (916) 445-0645	Fax:

- 5) The detailed description of work to be performed and duties of all parties include:
 - a) The contractor shall conduct an economic study to determine the statewide weighted (by volume redeemed) average actual costs to recycle for certified recycling centers, excluding those centers that receive a handling fee, by material type, including aluminum, glass, bi-metal, and plastics (PET #1, HDPE #2, PVC #3, LDPE #4, PP #5, PS #6, and Other #7). This economic study is generally referred to as the cost survey.
 - b) The contractor shall develop a process to ensure proper allocation of costs and labor to all material types and specifically to plastic resins HDPE #2, PVC #3, LDPE #4, PP #5, PS #6, and Other #7. These resins reflect new material types that have not been measured in previous cost surveys conducted for the purpose of determining processing payments and fees, therefore no current example methods to determine costs are available.

EXHIBIT A
(Standard Agreement)

- c) The contractor shall, with consultation from Department staff, update the current Microsoft Excel-based cost survey model used in previous cost surveys, as needed.
- d) The contractor shall, with consultation from Department staff, update the cost survey training manual and field manual used in previous cost surveys, as needed.
- e) The contractor shall develop a process to ensure collection of required data from participants, including a process to ensure all reasonable measures are attempted to collect data from participants resistant to providing required financial and labor data.
- f) The contractor shall conduct training, with assistance from Department staff, in cost survey processes developed by the contractor.
- g) The contractor shall develop a quality control/peer review process to ensure quality control in the survey processes outlined in the contractor's work plan.
- h) The contractor shall develop a control process to ensure confidentiality of all data specific to individual recycling centers and companies.
- i) The contractor shall conduct audited cost surveys at certified recycling centers based on a sampling plan and sample selection provided by the Department. Based on previous cost surveys, the total number of sites to be selected is estimated to be at minimum 125 sites and may exceed 200 sites. The Cost Proposal should be determined assuming 200 sites will be surveyed, identifying total costs for the minimum of 125 sites and additional costs for each additional site.
- j) It is expected that the project be scheduled with milestones including 25% of the surveys completed by the end of May 2003, 50% by the end of June 2003, 75% by the end of July 2003 and 100% of the surveys should be completed by the end of August 2003.
- k) The contractor shall conduct audited cost surveys including, at minimum, the following:
 - (1) A tour of the facility surveyed and a written description of the facility.
 - (2) Interviews of management and operational personnel to determine how the facility operates and how labor is allocated to specific operations and materials.
 - (3) A review of financial statements with all allowable expenses allocated to specified cost categories as outlined in the California Code of Regulations (CCR) §2960. Where applicable, costs must be directly allocated to specific material and resin types.
 - (4) Develop a process, consistent with statute and regulations, to determine costs per material type where CRV materials were accepted but volumes were not reported to DOC for redemption payments.
 - (5) A review of labor records to determine wages and hours paid to all company officers and employees.
 - (6) Allocations of labor by person or units to specific business interests with further separation for all labor allocated to recycling interest certified by the Division by CRV material types and non-CRV material types, and by material and resin types for all labor allocated to CRV material types. If a selected recycling center is operated by a company that operates more than one program certified

EXHIBIT A
(Standard Agreement)

by the Division (Processor, Curbside Program, Collection Program, etc.) at the same location, labor allocations will include allocations to each certified program by material and resin type.

- (7) A reconciliation of labor records and financial statement expenses for labor.
 - (8) Complete and referenced work papers to document all final financial and labor data.
 - (9) A quality control/peer review process to ensure quality standards are met.
 - (10) A separate file with all work papers, notes, and final determinations of costs for each material and resin type.
-
- l) The contractor shall consolidate data from all sites selected and provide the data in either a Microsoft Excel or Access format.
 - m) The contractor shall provide a separate hardcopy file including all work papers for each completed audited cost survey.
 - n) The contractor shall be available to present the results of the statewide weighted (by volume redeemed) average cost per ton for recycling centers by material and resin type during any public hearings on the determination of the year 2004 processing payments and fees.
 - o) The contractor shall be available to describe the cost survey process and defend the resulting statewide weighted (by volume redeemed) average cost per ton for recycling centers by material and resin type in any challenges to the validity of the cost survey results.
 - p) The requirement for a cost survey and determining the statewide weighted (by volume redeemed) average costs for recycling centers is based on the California Beverage Container Recycling and Litter Reduction Act (ACT) Section 14575. If there are any amendments to this section or related sections of the ACT changing the requirements to conduct a cost survey, the State shall have the option to either cancel this Agreement with no further liability accruing to the State, or offer an agreement amendment to the Contractor to reflect a revised scope of work.
 - q) The contractor shall provide all personnel and staffing and all supervision of personnel for the cost surveys.
 - r) The contractor shall, based on the results of individual audited cost surveys, complete a final report outlining the process used and the results of determining the statewide weighted (by volume redeemed) average cost per ton for recycling centers, by material and resin type.
 - s) Contractor shall submit monthly progress reports to State representative, as required, describing work performed, work status, work progress difficulties encountered, remedial action, and statement of activity anticipated subsequent to reporting period for approval prior to payment of invoices. Contractor to be reimbursed by invoicing, in detail, all costs and charges with Contract Number and sending to designated address.

EXHIBIT A
(Standard Agreement)

- t) Contractor shall present the findings of the cost survey and the draft final report to the Division of Recycling Management.
- u) Contractor shall present the findings of the cost survey and the draft final report to the Department of Conservation Administration, if so requested.
- v) Contractor shall submit complete, all audited cost surveys and submit a Draft Final Report by September 30, 2003. After receiving comments from the Department of Conservation, the Contractor shall submit a Final Report by October 15, 2003.
- w) The contractor shall be responsible for coordinating and scheduling all travel for personnel.

[NOTE TO BIDDERS: The specific text of the approved workplan and project schedule will be incorporated into the final Contract as part of the Scope of Work, Exhibit A]

EXHIBIT B
(Standard Agreement)

BUDGET DETAIL AND PAYMENT PROVISIONS

1. Invoicing and Payment

- A. For services satisfactorily rendered, and upon receipt and approval of the invoices, the State agrees to compensate the Contractor for actual expenditures incurred in accordance with the rates specified herein, which is attached hereto and made a part of this Agreement.
- B. Invoices shall include the Agreement Number and shall be submitted in triplicate not more frequently than monthly in arrears to:

Cyndy Young
Department of Conservation
Division of Recycling
Market Research Branch
801 K Street
Sacramento, CA 95814

2. Budget Contingency Clause

- A. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement.
- B. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Agreement with no further liability accruing to the State, or offer an agreement amendment to Contractor to reflect the reduced amount.

3. Prompt Payment Clause

Payment will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927.

4. Travel

Reimbursement for travel will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927.

The contract will pay travel and lodging expenses according to State of California hotel and per diem rates as follows:

Statewide, except as noted, actual receipted lodging up to \$84 plus tax. When required to conduct State business and obtain lodging in the Counties of Los Angeles and San Diego, reimbursement will be for actual receipted lodging, to a maximum of \$110 plus tax. When required to conduct State business and obtain lodging in the counties of Alameda, San

EXHIBIT B
(Standard Agreement)

Francisco, San Mateo, and Santa Clara, reimbursement will be for actual receipted lodging, to a maximum of \$140 plus tax.

Meals and Incidentals (each 24 hr. period)

Breakfast:	\$6.00
Lunch:	\$10.00
Dinner	\$18.00
Incidentals	\$6.00

Automobile: 34 cents per mile for use of personal vehicle

Costs for car rental, airfare and other reasonable transportation will also be provided. The contractor and subcontractors, if any, will travel by the least costly class and take advantage of discounts whenever possible. If the contractor or subcontractors, if any, travel in other than the least costly class, full explanation must be submitted when invoicing for approval of payment.

EXHIBIT B
(Standard Agreement)

5. Other Expenses

Reasonable office supplies and telephone charges that relate directly to this contract will also be covered. The contract will not pay for the purchase of equipment such as computers, software, calculators, telephones, etc., but these items may be rented upon prior approval by the Department for the sole use of this contract.

EXHIBIT C
(Standard Agreement)

GENERAL TERMS AND CONDITIONS

The General Terms and Conditions will be included in the agreement by reference to Internet site:
<http://www.ols.dgs.ca.gov/Standard+Language/GTC201.htm>

EXHIBIT D
(Standard Agreement)

SPECIAL TERMS AND CONDITIONS

1. **Order of Precedence**

In the event of any inconsistency between the articles, attachments, specifications or provisions that constitute this contract, the following order of precedence shall apply:

- (a) Contract form (Standard Agreement) and any amendment thereto;
- (b) Scope of Work and Budget;
- (c) Special Terms and Conditions;
- (d) General terms and conditions, including the General Provisions;
- (e) All other attachments hereto, including any that are incorporated by reference.

2. **Complete Integration**

This Contract, including any documents incorporated herein by express reference, is intended to be a complete integration and there are no prior or contemporaneous different or additional agreements or terms pertaining to the subject matter of the contract.

3. **Definitions**

Unless the context otherwise requires, the definitions below shall govern the construction of this Contract:

- (a) "Agreement" or "Contract" means this technical services contract.
- (b) "Contract Manager" means the representative of the Department of Conservation who is administering this Contract .
- (c) "Contractor" means the prime contractor designated in this contract. The Contractor shall manage the performance of any subcontractors.
- (d) "Department" means the State of California, Department of Conservation.
- (e) "Director" means the Director of the Department of Conservation.
- (f) "Division" means the Department of Conservation's Division of Recycling.
- (g) "Assistant Director" means the Department of Conservation's Assistant Director for Recycling, the head of the Division of Recycling.
- (h) "State" means the State of California, including, but not limited to, the Department of Conservation and/or its designated officer.
- (i) "Scope of Work" or "Statement of Work" means the portion of this Contract identified as "Attachment A" and all documents incorporated therein by reference.

4. **Settlement of Disputes**

In the event of a dispute, Contractor shall file a "Notice of Dispute" with the Director of the Department of Conservation within ten (10) days of discovery of the problem. Within ten (10) days after receiving the Notice of Dispute, the Director or Designee shall meet with the Contractor and Project Manager for purposes of resolving the dispute. The decision of the Director or Designee shall be final.

5. **Amendment of This Contract**

This Contract may be amended by the Parties. However, no amendment of the terms of this Contract shall be valid unless made in writing, signed by both parties, and approved as required by law.

EXHIBIT D
(Standard Agreement)

6. **Confidentiality/Public Records**

Records and derivative products produced, collected, stored, processed or otherwise generated for the Department of Conservation pursuant to this Contract, may be subject to disclosure under the California Public Records Act, commencing with Government Code Section 6250. The Department of Conservation will carefully review any requests for public disclosure of such information in light of any known considerations and claims as to the confidential or proprietary nature of the information, and legal requirements applicable thereto.

The Contractor shall ensure that it, and any subcontractors, employees and agents of the Contractor, exercise appropriate and adequate security precautions to protect the confidentiality of any and all proprietary, confidential or otherwise sensitive information that it may come into contact with in performing services pursuant to this Contract. All such information is the sole property of the Department of Conservation, and the Contractor shall not divulge it to any other person or entity.

7. **Subcontracts**

The Prime Contractor for the term of the contract shall manage the performance of and be responsible for all work performed by any subcontractor(s). The Contractor shall be entitled to make use of its own staff and such subcontractors as are mutually acceptable to the Contractor and the Department. All subcontractor(s) specifically identified in the Contractor's proposal are considered to be acceptable to the Department. Any change in subcontractor(s) must be approved in advance by the Department of Conservation.

Nothing in this Agreement or otherwise shall create any contractual relation between the State and any subcontractors, and no subcontract shall relieve the contractor of its responsibilities and obligations hereunder. The Contractor agrees to be as fully responsible to the State for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the Contractor. The Contractor's obligation to pay its subcontractors is an independent obligation from the State's obligation to make payments to the Contractor. As a result, the State shall have no obligation to pay or to enforce the payment of any moneys to any subcontractor.

The Contractor, its subcontractors and their employees shall be responsible in the performance of the work under this Contract for exercising the degree of skill and care required by customarily accepted good professional practices and procedures.

The subcontractors shall be experts in their respective disciplines. Subcontractors shall have extensive experience in their area of expertise, with particular emphasis on prior experience on similar programs or projects that clearly illustrate their expertise in areas essential to the Department.

In some cases, the Department of Conservation or the Contractor, may determine that the level of expertise or the services required are beyond those provided by the Contractor or its previously designated subcontractors. The Department may specifically request the Contractor to identify a suitable subcontractor based upon requirements established by the Department.

EXHIBIT D
(Standard Agreement)

The Contractor's responsibilities shall include, but not be limited to:

- a. Working directly with and reporting to the Contract Manager on Contract status, work assignments, and progress;
- b. Coordinating subcontractor accessibility to Department staff;
- c. Scheduling and assigning specific tasks;
- d. Ensuring deliverables are completed and submitted to the Contract Manager on or before established due dates;

8. Ownership of Drawings, Plans, and Specifications

The State shall have separate and independent ownership of all drawings, design plans, specifications, notebooks, tracings, photographs, negatives, reports, findings, programs, models, arithmetic formulas, statistical methodologies, recommendations, data, and memoranda of every description or any part thereof, prepared under this Contract. The originals and all copies thereof, including source code associated with any special software or programming developed by the Contractor to perform required services pursuant to this Agreement, shall be delivered to the State upon request. The State shall have the full right to use said originals and all copies in any manner when and where it may determine without any claim on the part of the Contractor, its vendors, or subcontractors to additional compensation. All deliverables are the property of the State.

9. Insurance

a. The Contractor shall, at no additional cost to the State, obtain and keep in force for the term of this Agreement, and require its subcontractors to obtain and keep in force, the following insurance policies which cover any acts or omissions of the Contractor, or its employees engaged in the provision of services or performance of activities funded pursuant to and specified in this Contract:

- 1) Worker's Compensation Insurance in accordance with the statutory requirement of the State of California.
- 2) Comprehensive personal injury liability insurance, including coverage for owned, hired, and non-owned automobiles.
- 3) Comprehensive property damage liability insurance, including coverage for owned, hired, and non-owned automobiles.

b. The Contractor shall furnish to the State a certificate of insurance stating that there is liability insurance in effect for the Contractor with a combined single limit of not less than one million dollars (\$1,000,000) per occurrence.

The certificate of insurance shall provide:

- 1) That the insurer may not cancel the insured's coverage without 15 days written notice to the State;

EXHIBIT D
(Standard Agreement)

- 2) That the State, its officers, agents, and employees are included as additional insured, but only insofar as operations under this Contract are concerned; and
- 3) That the State shall not be responsible for any premiums on the policy. The Contractor agrees that the bodily injury liability insurance policy shall be in effect at all times during the term of this Contract. If this insurance coverage expires at any time during the term of this Contract, the Contractor agrees to provide, at least 15 days prior to said expiration date, a new certificate of insurance evidencing insurance coverage as provided for herein for not less than the remainder of the term of the Contract, or for a period of not less than one year, whichever is longer. New certificates of insurance are subject to the approval of the State, and the Contractor agrees that no work or services will be performed prior to the giving of such approval. In the event the Contractor fails to keep in effect at all times insurance coverage as herein provided, the State may, in addition to any other remedies it may have, terminate this Contract upon the occurrence of such event.

The Contractor shall name the Department as an additional insured party for all insurance required, or as the beneficiary of part or all of the insurance policy proceeds.

The Contractor shall submit to the Department, within 30 days of the Contract award, a certificate of insurance for each of the policies issued.

The Contractor shall provide the Department with advance notification of any insurance policy cancellation or substantial change of policy.

10. Rights and Remedies In The Event of Contractor Default

- a. In the event any services provided pursuant to this Contract should fail to conform to the requirements contained herein, the State may reject the same, and it shall become the duty of the Contractor to correct the performance of the services, without additional cost to the State.
- b. The State may, subject to the Force Majeure paragraph and Termination for Default paragraph contained herein, terminate this Contract in the event of Contractor default. In the event of termination of the Contract for contractor breach or default, any loss or damage sustained by the State in securing the services or deliverables that the Contractor agreed to supply shall be borne and paid for by the Contractor.
- c. The State reserves the right to offset the reasonable cost of all damages caused to the State against any outstanding invoices or amounts owed to the Contractor or to make a claim against the Contractor therefore.

11. Discharge of Contractual Obligations

The Contractor's obligations under this Contract shall be deemed discharged only upon completion of all terms of this Contract and the receipt and unqualified acceptance by the State of all deliverables due. If requested, the Contractor shall make an oral presentation to the Department of Conservation.

12. Evaluation of Contractor

Performance of the Contractor pursuant to this Agreement will be evaluated. The evaluation will be maintained in the Department's files related to this Agreement and if the evaluation is negative, a copy may be forwarded to the Department of General Services, Office of Legal Services.

EXHIBIT D
(Standard Agreement)

13. **Excise Tax**

The State of California is exempt from federal excise taxes, and no payment will be made for any taxes levied on employees' wages. The State will pay for any applicable State of California or local sales or use taxes on the services rendered or equipment or parts supplied pursuant to this Agreement. California may pay any applicable sales and use tax imposed by another state.

14. **Consultant - Staff Expenses**

The Contractor represents that it has or shall secure at its own expense, all staff required to perform the services described in this Agreement. Such personnel shall not be employees of or have any contractual relationship with any governmental entity.